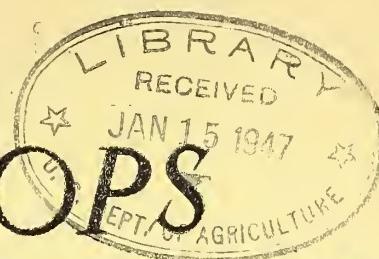


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FOREIGN CROPS and MARKETS



UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
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W F RYAN
SUGAR DIVISION
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L A T E C A B L E S

Canadian harvesting and threshing operations delayed during week ended August 26 by continued heavy rains in many sections. Grain harvesting started in New Brunswick and Prince Edward Island but crops just ripening in Nova Scotia. Good harvesting progress reported in Quebec with yields almost normal. Most of grain crops were harvested in Ontario before coming of heavy rains, which benefited late crops and pastures. Generally satisfactory progress made in harvesting the Prairie grain crops but rains in southern Saskatchewan caused some delay and the heavy downfall in west central and northern Alberta stopped work temporarily. Cutting practically finished in Manitoba and threshing about 50 percent completed with yields somewhat above average but quality low. Threshing returns in Saskatchewan about as expected with quality generally good. Little threshing done in Alberta but early returns in southern areas indicated fair to good yields and grades high. Harvesting of feed grain in British Columbia about finished despite cool showery weather.

Manchurian 1941 soybean production unofficially estimated same as last year - about 118,000,000 bushels. Acreage this year about 10 percent smaller than last season but yields expected to be larger if weather continues favorable.

First all India cotton forecast places 1941-42 acreage (planted to the end of July) at 12,475,000 acres representing a 7-percent decrease from the corresponding forecast of 13,454,000 acres in 1940. The fourth acreage estimate for 1940-41 was 22,902,000 acres. Planting is spread over a much longer period than in most other countries, and during the past 10 years first forecasts have averaged only about 60 percent of the final figure.

* * * * *

G R A I N S

ORIENTAL WHEAT TRADE RESTRICTED;
LARGER PRODUCTION INDICATED . . .

During the 1940-41 marketing season just closed, the control of wheat supplies by the Japanese authorities in China, Japan, and Manchuria checked the importation of foreign wheat and is likely to do so again in 1941-42, according to the annual report of the American consulate general at Shanghai. Nevertheless, large imports of flour, combined in terms of grain with wheat, brought total wheat imports into the Orient for last season above those of 1939-40. Definite figures are not available, but slightly larger stocks of wheat are believed to have been carried over into the current season, particularly when supplies held by the authorities in Manchuria and Japan are taken into consideration. Stocks of flour on July 1 were larger than usual in China, but very low in both Manchuria and Japan.

WHEAT: Production in the Orient, average 1931-1935,
annual 1936-1941

Year of Harvest	China a/	Manchuria b/	Japan	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Average 1931-1935 ..	780,000	38,440	40,372	858,812
1936	790,000	35,237	45,192	870,429
1937	640,000	41,373	50,410	731,783
1938	640,000	34,318	45,244	719,562
1939	667,000	a/ 31,232	61,086	759,318
1940	700,000	a/ 27,558	66,134	793,692
1941 c/	720,000	a/ 31,000	59,366	810,366

Compiled from official sources except as noted.

a/ Estimates of the American consulate general, Shanghai. b/ Estimates of the South Manchurian Railway, except as noted. c/ Preliminary.

The first official estimate of the 1941 wheat crop of Japan, together with preliminary unofficial estimates for the Chinese and Manchurian crops, indicates a total oriental outturn of about 810 million bushels as compared with 794 million reported for 1940. Besides the somewhat better supply situation for the current season resulting from increased carry-overs and larger production, the control exercised by Japanese agencies over the distribution and consumption of wheat and flour is expected to be tightened and importation decreased. Imports of United States flour, in particular, are not considered likely to reach the level attained last season, not only because of reduced demand, but also because of unfavorable price parity with Canada. The United States, however, has some advantage at present by reason of the greater availability of shipping space in this country.

ORIENT: Imports of wheat and flour from the United States and total,
average 1934-35 to 1938-39, annual 1939-40 to 1940-41 a/

Country	United States			Others			Total	
	Average 1934-35 to 1938-39	1939-40 <u>b/</u>	1934-41 to 1938-39	Average 1939-40 <u>b/</u>	1940-41 to 1938-39	Average 1939-40 <u>b/</u>	1939-40 to 1938-39	Average 1940-41 <u>b/</u>
China -								
Wheat	962	2,944	1,693	6,720	5,907	3,769	7,682	8,851
Flour <u>c/</u>	1,378	4,564	8,184	3,196	5,124	11,164	4,575	9,689
Total	2,340	7,508	2,877	9,916	11,031	14,933	12,255	18,540
Japan -								
Wheat	287	0	1,011	8,569	5,829	3,849	8,856	5,829
Flour <u>c/</u>	0	0	0	3,444	3,444	3,444	3,444	4,860
Total	287	0	1,011	8,913	5,829	4,293	9,200	5,829
Manchuria -								
Wheat	-	-	-	-	-	-	-	-
Flour <u>c/</u>	24	0	0	3,484	0	2,000	3,509	0
Total	24	0	0	3,484	0	2,000	3,509	0
Total Orient ..	2,651	7,508	10,888	22,713	16,860	21,226	24,964	24,369
								32,114

Compiled by the Shanghai consulate general, from official trade statistics unless otherwise indicated. a/ Excluding imports between China, Japan, and Manchuria. b/ Estimated, except for China. c/ Converted to wheat by multiplying by 1.3333. d/ Less than 500 bushels. d/ Does not check with total on page 245 because of difference in conversion factor changing flour to grain equivalent.

China

Although early reports regarding the 1941 wheat crop of China pointed to a somewhat larger outturn this season than last, varying conditions in different parts of the country may make necessary some downward revision from the estimated production of 720 million bushels. Increase in the acreages of North China and unoccupied Central and West China were reported, as well as in Japanese-occupied Central China. Unfavorable weather conditions in North China impaired crop prospects, but in the Yangtze Valley conditions were better and a considerable increase in production was reported.

CHINA: Imports of wheat and flour by principal country of origin,
average 1931-32 to 1935-36, annual 1936-37 to 1940-41

July-June	United States	Canada	Australia	Argentina	Japan	Others	Total
	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<u>Wheat</u>	bushels	bushels	bushels	bushels	bushels	bushels	bushels
Average 1931-32							
to 1935-36 ...	5,507	2,358	16,018	2,533	-	422	26,838
1936-37	a/	0	1,767	-	-	a/	1,767
1937-38	0	0	0	-	-	a/	a/
1938-39	3,828	33	8,416	-	-	a/	12,277
1939-40	2,978	0	5,855	-	-	18	8,851
1940-41	1,693	427	3,138	-	-	204	5,462
<u>Wheat flour</u>	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Average 1931-32	barrels	barrels	barrels	barrels	barrels	barrels	barrels
to 1935-36 ...	920	102	393	-	437	41	1,893
1936-37	34	120	115	-	9	2	280
1937-38	166	79	509	-	921	37	b/1,712
1938-39	876	93	2,037	-	478	70	3,554
1939-40	1,047	61	1,039	-	731	77	2,955
1940-41	1,879	274	2,269	-	1,222	20	5,664
<u>Wheat, inc. flour</u>	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Average 1931-32	bushels	bushels	bushels	bushels	bushels	bushels	bushels
to 1935-36 ...	9,647	2,817	17,786	2,533	1,966	607	35,356
1936-37	153	540	2,285	0	40	9	3,027
1937-38	747	356	2,290	0	4,144	167	7,704
1938-39	7,771	451	17,583	0	2,151	315	28,271
1939-40	7,690	274	10,531	-	3,290	364	22,149
1940-41	10,149	1,660	13,348	-	5,499	294	30,950

Compiled from official records. a/ Less than 500 bushels. b/ Official statistics do not include all the flour that entered China in 1937-38.

Because of the unsettled conditions now prevailing in China and the acute shortage of shipping facilities, wheat imports during the current season are likely to fall substantially below those of 1940-41, which totaled about 5.5 million bushels. Prices have recently become an important factor with the rise in foreign markets. The Chinese-owned

mill, which would be the chief buyers of imported wheat, are said to consider it inadvisable to pay unnecessarily high prices, when the Japanese, who can secure domestic wheat at much less, would be able to undersell flour made from high imported wheat. Imports of foreign flour during 1941-42 are likewise expected to be reduced from the 5.7 million barrels imported last season, as a result of accumulated stocks, prohibitive freight rates, and lack of shipping space, especially in view of the somewhat larger wheat supplies in China this season. Of the total wheat imported by China last season, the United States supplied nearly 1.7 million bushels, or 31 percent; of the flour imported, nearly 2 million barrels, or about a third, originated in the United States. The bulk of the wheat, as well as the flour entering China, came from Australia. Canada shipped in a little of both and Japan about 1.2 million barrels of flour.

Recent purchases of Canadian and Australian wheat and flour, rather than of United States products, are said to have resulted from price differentials. With conditions for shipping from the former countries going from bad to worse, however, such trade has become more and more difficult. Most shippers have been forced to utilize tramp vessels, and half- or full-cargo lots have been required more often than before, with terms on a c.i.f. basis, war-risk insurance extra, and any increases in freight rates for the buyer's account. Australia is particularly handicapped with respect to shipping space. Freight rates on both United States and Canadian flour have doubled since the beginning of 1941, from around \$12.50 to \$25.00 per short ton. Prices at Shanghai have been unavoidably and greatly increased in consequence of the freight situation.

China's exports of wheat and flour declined markedly during 1940-41, according to customs returns. Nevertheless, it is pointed out that Japan has been draining occupied China of its wheat and flour, as well as of other materials, without observing customs formalities, and it is possible that more of these products may have been shipped during the past season from China to Japan, or other yen-bloc countries, than ever before.

In Japanese-occupied China, native wheat is controlled by Japanese monopolistic organizations. A special representative is stationed in each producing or collecting district to obtain information regarding production, supply, and consumption of wheat and flour; to report market prices; to adjust the supply and demand; and to arrange for the distribution of wheat among the flour mills. A barter system has been inaugurated for the exchange of wheat from North China for other products from Central and South China, and special attention is given to increasing wheat production.

In unoccupied China, a centralized control over foodstuffs has been established, and inspection bureaus have been set up to prevent the smuggling of foodstuffs to adjacent territories occupied by the

Japanese. Moreover, the construction of granaries has been ordered for the storage of farm produce, and recently private persons have been severely penalized for hoarding grain.

Manchuria

The 1941 wheat crop of Manchuria is expected to be larger than the small production of 1940. Unofficial estimates place the two crops at 31 and 27.6 million bushels, respectively. Domestic requirements of foreign flour were only partially filled by imports last season, and prospects for imports this season to supply the deficiency in production are not bright. About 10 million bushels of wheat and important stocks of flour are reported to be held by the Government monopoly as reserves, which if released would improve the food situation. Commercial stocks carried over into 1941-42 are believed to have been insignificant, and supplies of flour for consumption are reported to be exceedingly short. The rations allowed are meager and many substitutes for wheat flour are being purchased. Flour is being adulterated to such an extent that little real wheat flour can be obtained, and a ticket system of rationing is expected to be put into operation in the near future.

Since all the collections made by the monopoly were apparently not turned over to the mills, it appears that less flour was produced in Manchuria during 1940-41 than the low production of 1939-40. Available statistics do not substantiate this, but it is known that the total flour production fell far short of requirements. Imports amounted to only 1.5 million barrels, 70 percent from Japan and 30 percent from Australia. Flour mills were compelled to grind corn flour to mix with wheat flour, millet milling is reported to have become increasingly prevalent, and wheat flour mixed with soy-bean flour is expected to appear on the market soon.

A higher basic price for wheat has been set for the 1941 crop than that paid to farmers for deliveries of 1940 wheat, but the present system of crop collection is reported not to have worked out satisfactorily. When the new prices were announced before seedings began, they were found disappointing by the farmers, and a tendency to decrease the wheat acreage was observed. The monopoly is therefore reported to be considering an auction system for marketing all staple crops, at least until the control of crops by inspectors is perfected. In the meantime, the cash bounties announced in April 1941 have been continued in an effort to increase and speed up the marketing of the new crop, and the authorities expect collections this season to amount to 18 million bushels. Up to July 21, contracts had been reportedly concluded with farmers for the delivery of 15 million bushels.

Steps are said to have been taken by the monopoly to overcome the labor shortage, which has been of some importance in reducing deliveries this past season; and the Manchurian Department of Agricultural

Development is reported to have drafted a second 5-year plan for increased agricultural production. Special emphasis was placed on such food crops as wheat, rice, kaoliang, corn, and millet.

Japan

The first official estimate of the 1941 wheat crop of Japan was placed at 59,366,000 bushels, as compared with 66,134,000 bushels reported last year. The reduction this year was attributed partly to unfavorable weather conditions and partly to the exhaustion of the soil by heavy crops in 1939 and 1940, when fertilizers were short. Damage from insects and disease, as well as inadequate supplies of farm labor also affected the crop adversely.

Although trade data were not officially released for the 1940-41 marketing year, imports of wheat into Japan are approximated at 4.8 million bushels, or about 25 percent less than the total imported in 1939-40. Most of the wheat imported this past season was of Australian origin. Flour imports were negligible, but they exceeded those of the previous year. It is reported that flour production was reduced and that the total flour supply for 1940-41 was smaller than for several seasons. Not only were flour exports reduced by about 30 percent, but the apparent domestic utilization also declined considerably.

JAPAN: Wheat, including flour, supply and disappearance,
average 1931-1935, annual 1936-1941

Year of harvest	Production	Imports		Total supply	Wheat flour exports a/	Utilization (ignoring changes in stocks)
		Wheat	Flour			
Average	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1931-1935	40,372	19,489	186	60,047	12,405	47,642
1936	45,192	7,789	1,099	54,080	4,432	49,648
1937	50,410	4,619	74	55,103	13,275	41,828
1938	45,244	1,282	1	46,527	10,490	36,037
1939	61,086	b/6,016	374	67,476	13,820	53,656
1940	66,134	b/4,821	b/ 450	71,405	b/9,572	61,833
1941	59,366	-	-	-	-	-

Compiled from official sources except as noted. Flour converted to wheat on the basis of 1 barrel equals 4.5 bushels.

a/ July-June marketing year.

b/ Estimate of the office of the American consulate general, Shanghai.

Reliable information regarding stocks of wheat and flour on hand July 1 is not available. Reduced allotments to bakers would indicate that they were low. If so, and with a reduced crop, Japan probably entered the new season with smaller supplies than on July 1, 1940. Figures on supply and disappearance, on the other hand, point either to greatly increased

utilization last season or to a large carry-over. Wheat is reported unofficially to be badly needed in Japan, any quantities of imported non-oriental wheat, over and above a certain portion for domestic use, are supposed to be milled into flour and sold in North China and Manchuria. As it has already been pointed out, shipments to the latter market were greatly reduced in the past season.

No change in the fixed wheat price paid to farmers during 1940-41 was reported. Since the selling price is the same as that paid for wheat, transportation and handling expenses are paid by the Government thus forming a subsidy to producers. Of the foreign wheat for import, quotations on American wheat were not available but Canadian wheat was somewhat cheaper at Tokyo on May 1, 1941, than on the corresponding date last year, while Australian was slightly higher, and Manchurian unchanged.

Wartime economic control in Japan started with measures to promote industrial production and restrict the importation of nonessential commodities but was extended to include the production, consumption, and distribution of nearly everything entering into daily use. Following the retention by the prefectoral authorities of the bulk of the wheat crop within their boundaries, thus causing serious shortages in many of the larger cities, it has been announced that the central authorities will have complete control over the 1941 harvests of wheat and barley, in order to facilitate distribution in the current season.

GRAIN STATISTICS . . .

GRAINS: Weekly average closing price per bushel, future delivery,
at leading markets, 1940-41

Week ended	Wheat				Corn					
	Chicago	Winnipeg	a/ Buenos Aires	Buenos Aires	Chicago	Buenos Aires	a/ Buenos Aires	b/ 1940		
	1940	1941	1940	1941	1940	1941	1940	1941		
Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents		
High c/	77	112	67	71	d/ 75	57	61	78	35	26
Low c/	70	104	67	68	d/ 65	55	58	75	33	26
September										
July 26	74	105	67	70	e/ 74	55	61	75	34	26
Aug. 2	76	107	67	68	e/ 70	55	61	76	33	26
Aug. 9	74	112	67	68	70	55	61	78	33	26
Aug. 16	72	111	67	69	70	55	61	78	34	26
Aug. 23	70	112	67	68	65	55	61	77	34	26

Corn prices at Buenos Aires compiled from New York Journal of Commerce; all other prices from Chicago Daily Trade Bulletin. a/ October futures. b/ Official price. c/ July 5 to August 23, 1941 and corresponding dates for 1940. d/ August and September futures. e/ August futures.

V E G E T A B L E O I L S A N D O I L S E E D S

**UNITED STATES FLAXSEED
IMPORTS DECREASE . . .**

United States imports of flaxseed during the 1940-41 (July-June) marketing season were 15 percent below the same period a year earlier and compared favorably with the quantity imported in normal years. The average from 1930-31 to 1935-36 was about 13 million bushels. Drought and other unfavorable conditions in the important flaxseed-producing States brought about a big reduction in the crop during the following 3 years and necessitated increased foreign purchases to meet domestic demands.

The latest flaxseed estimate for 1941 places production at 30,711,000 bushels, which should take care of about two-thirds of the country's requirements during the current season.

**UNITED STATES: Imports of flaxseed by months,
1936-37 to 1940-41**

Month	1936-37	1937-38	1938-39	1939-40	1940-41
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July	117	2,063	927	1,123	661
August	671	1,254	1,288	1,511	628
September	1,813	2,009	1,346	452	24
October	1,747	1,707	1,381	875	704
November	2,707	1,774	1,565	682	1,093
December	1,489	1,672	1,474	623	769
January	1,139	1,457	2,111	1,058	1,482
February	3,727	1,799	2,248	1,763	1,285
March	4,083	1,463	2,031	1,972	1,223
April	2,280	1,024	1,416	1,199	1,286
May	3,662	876	1,155	1,434	1,177
June	2,661	763	1,802	520	866
Total	26,096	17,861	18,744	13,212	11,198

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

The exportable surplus of flaxseed in Argentina and Uruguay on August 1 was reported to be about 41 million bushels. The United States is now the principal market for this seed, but transportation facilities

may make it difficult to obtain supplies. The demand for linseed oil increased rapidly in the past year and should continue at a high level while the defense program is in progress.

UNITED STATES: Imports of flaxseed, by countries of origin,
1936-37 to 1940-41

Year July-June	1936-37 bushels	1937-38 bushels	1938-39 bushels	1939-40 bushels	1940-41 bushels
Argentina	24,177	17,312	17,511	11,888	8,783
Canada	786	87	31	a/	55
Uruguay	0	251	1,109	1,306	2,360
British India	969	210	0	0	0
Other Countries	164	1	93	18	0
Total	26,096	17,861	18,744	13,212	11,198

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

a/ Less than 500 bushels.

UNITED STATES: Supply and distribution of flaxseed,
1936-37 to 1941-42

Crop Year July-June	Carry- over beginning of season	Pro- duction	Imports	Total supply	Carry- over at end of season	Total apparent dis- appearance
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1936-37 ..	3,331	5,273	26,096	34,700	3,339	31,361
1937-38 ..	3,339	7,089	17,861	28,287	2,199	26,090
1938-39 ..	2,199	8,152	18,744	29,095	2,296	26,799
1939-40 ..	2,296	20,152	13,212	35,660	3,911	31,749
1940-41 ..	3,911 a/	31,317	11,198	46,326 b/	5,622	40,704
1941-42 ..	b/ 5,622 c/	30,711	-	-	-	-

Compiled from official statistics.

a/ Preliminary.

b/ Estimated.

c/ Indicated August 1, 1941; will be revised later.

Canada has been on an importing basis for flaxseed in recent years but is making an effort to increase production. A recent report indicates

that flax acreage in the Prairie Provinces in 1941 will show an increase of 152 percent over 1940; it is understood, however, that part of this acreage is for fiber flax. The Government production estimates are expected to be released in September.

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GAMBIA PEANUT EXPORTS
CURTAILED BY
WARTIME RESTRICTIONS . . .

Total production of peanuts in Gambia is not known; however, it ranks second in exports from British West African Colonies. As this crop is produced chiefly for export, consumption within the Colony is small.

Peanuts are usually planted in July, and marketing begins in December and extends through March or April. It is reported that about 49,000 short tons of unshelled peanuts were available for export during the 1940-41 season, or about the same as the year before.

The decline in shipments in 1940 was probably due to increased extraction of oil for domestic use to partially replace the quantities of other edible oils formerly imported, but now restricted by wartime controls. It is also possible that acreage heretofore devoted to the cultivation of peanuts is now used, by native farmers, to produce food-stuffs that were imported prior to the outbreak of the war.

Purchase for export is now under control of the British Ministry of Food, and prices are fixed by that organization.

GAMBIA: Exports of peanuts, 1936-1940

Year	Unshelled		Shelled	
	Quantity	Value	Quantity	Value
	Short tons	1,000 dollars	Short tons	1,000 dollars
1936	55,612	2,124	-	-
1937	74,565	3,197	569	34
1938	51,748	1,178	870	28
1939	53,295	1,070	1,708	46
1940	33,902	779	9,993	385

Compiled from official and trade sources.

* * * * *

C O T T O N - O T H E R F I B E R SCOTTON CROP IN CHINA SLIGHTLY
LARGER THAN LAST YEAR . . .

A preliminary survey of China's cotton crop, made by the American agricultural attache at Shanghai, indicates a 1941 production of about 2.4 million bales compared with an estimate of 2,350,000 for 1940. Production in Japanese-controlled areas of North China is estimated about 73 percent higher than last year. The increase is attributed to a larger planted area, encouraged by higher prices fixed by Japanese authorities, and favorable weather conditions at planting time. In occupied Central China and unoccupied China decreases of 20 and 9 percent, respectively, were indicated, largely because of a shift from the cultivation of cotton to food crops.

Production in Manchuria is estimated at about 93,000 bales, or 20 percent higher than in 1940. The 1941 acreage, estimated at 263,000 acres, is 30 percent higher than the low harvested acreage of 1940, but the yield is expected to be lower because of insect damage and unfavorable weather conditions.

Imports into China of 55,000 bales of cotton during June were the lowest since November 1940. Purchases for forward delivery have been heavy and amounted to about 150,000 bales, consisting of 10,000 American, 60,000 Indian, 75,000 Brazilian, and 5,000 others. It is uncertain whether all of this cotton will arrive, however, because of recent political developments affecting the financing and shipping of cotton. Imports of cotton into Manchuria during 1940-41 were estimated unofficially at 92,000 bales consisting of 30,000 bales of Chinese and 62,000 of foreign growths.

CHINA a/: Imports of cotton, by countries of origin,
June 1941 with comparisons
(In bales of 478 pounds net)

Country of origin	June			October-June		
	1939	1940	1941	1938-39	1939-40	1940-41
	Bales	Bales	Bales	Bales	Bales	Bales
United States ..	15,526	36,766	27,113	76,449	409,690	95,796
British India ..	137,399	95,638	24,507	439,290	278,997	418,977
Egypt	5,741	2,329	0	27,729	32,534	8,245
Brazil	8,001	10,727	1,752	81,928	54,188	128,702
Others	2,304	2,440	1,514	11,095	25,995	9,464
Totals	168,971	147,900	b/ 54,886	636,491	801,404	c/ 661,184

Compiled from Monthly Returns of the Foreign Trade of China.

a/ Excludes Manchuria. b/ Includes about 1,414 bales reexported.

c/ Includes an estimated 50,000 bales reexported.

Cotton prices at Shanghai have advanced steadily following the freezing by the United States of Chinese funds (at China's request), which precipitated some depreciation in the Chinese dollar. The acute shipping shortage, noted particularly in the movement of Indian and Brazilian cotton, also influenced price increases. Bookings of foreign cotton for future delivery have practically ceased for the time being, while local stocks of unsold cotton have been greatly reduced by large spot purchases.

The recent withdrawal of most Japanese ships from Western Hemisphere and British Empire waters will greatly retard the movement of Brazilian and Indian cotton to the Orient because this trade has been heavily dependent on Japanese shipping services since the outbreak of war in Europe. Prices of American cotton are still high in relation to those of other growths, but under present conditions greater sales of American cotton for export to Shanghai may be possible if shipping facilities are available. Quotations at Shanghai on August 14, for August and September shipments, were equivalent to 20.33, 19.01, and 12.25 cents per pound, respectively, for American middling 7/8 inch, Brazilian type 5, and Indian fine Akola. Advances registered in prices of cotton yarn have not been as strong as those in raw cotton, largely because of the heavy stocks of yarn on hand in Shanghai. Arrivals of domestic cotton, destined principally for Japanese mills, were somewhat heavier in July. Quotations for Tungchow cotton on August 14 were equivalent to about 11.70 cents per pound.

July mill consumption in China, including Manchuria, was estimated at 119,000 bales. Mills in North China continued to operate at less than 50 percent of capacity for lack of sufficient raw-cotton supplies. Japanese and Chinese mills at Shanghai showed a slight decrease in activity during July. Sharp increases in the prices of nearly all commodities following the American and British freezing orders resulted in much higher living costs and precipitated a number of labor controversies in Shanghai cotton-textile mills.

Recorded exports of raw cotton from China in June amounted to 8,160 bales (of 478 pounds) bringing the total since October 1 to 63,527 bales. Unrecorded exports, almost entirely to Japan, are believed to have raised this total to around 300,000 bales, consisting of about 250,000 of Chinese cotton, principally to Japan, and 50,000 bales, mostly foreign growths, to Germany.

About 140 million square yards of Japanese cotton piecegoods are reported to have been received in Manchuria in recent months; 80 million yards of which were to be distributed among farmers to encourage a greater delivery of farm products to Government authorities.

MEXICO'S 1941 COTTON
CROP ABOVE NORMAL . . .

An unofficial estimate places the cotton crop now being picked in Mexico at 333,000 bales (of 478 pounds) as against 288,000 in 1940, and is the highest since 1937, according to information received in the Office of Foreign Agricultural Relations. The condition of the crop is better than normal in all districts except Matamoros near the Texas border. A record acreage was planted there, but excessive rain has stimulated a heavy growth of weeds and insect damage. Boll-weevil and boll-worm infestations are relatively low in other areas.

MEXICO: Cotton acreage, production, exports, and consumption, 1935-36 to 1940-41
(In bales of 478 pounds net)

August-July Years	Acreage <u>1,000 acres</u>	Production <u>1,000 bales</u>	Exports <u>1,000 bales</u>	Consumption <u>a/ 1,000 bales</u>
1935-36	599	251	200	230
1936-37	844	395	137	250
1937-38	829	340	63	251
1938-39	633	306	62	243
1939-40 <u>b/</u>	645	310	26	256
1940-41 <u>b/</u>	617	288	<u>c/</u> 18	-

Compiled from official sources.

a/ July-June basis. b/ Preliminary. c/ August-March.

Domestic consumption has risen to about 255,000 bales annually so that the surplus for export is usually small. Demand for cotton textiles has been good in Mexico, and orders are beginning to arrive from Central America. Prospects for exports of textiles to the Caribbean area are considered good, since Japan is practically out of the market at present and the United States production is largely absorbed by the domestic market and government orders, both United States and foreign.

Mill stocks of cotton at the end of July were estimated at about 32,000 bales, which is sufficient for only 1 to 2 months' requirements. Since mill requirements are filled almost entirely by domestic cotton, only about 80,000 bales will be available for export (1941 crop). Exports during the 8 months ended March 31, 1941, totaled 17,800 bales, all of which was destined for the United States. Additional quantities, apparently shipped since March, are reported to be still in bond in New York and elsewhere awaiting entry into the United States after September 20, 1941, under the 1941-42 import quota of approximately 18,600 bales.

F R U I T S, V E G E T A B L E S, A N D N U T S

CUBAN FRUIT EXPORTS

ABOUT SAME AS IN 1940 . . .

Exports of fresh fruit from Cuba to the United States amounted to almost 83 million pounds for the first 7 months of 1941, or about the same volume as was exported in the comparable period last year, according to a report from American Vice Consul W. A. Crawford at Habana. Exports of plantains and bananas were heavier, but declines were shown in the movement of avocados, papayas, pineapples, and limes.

CUBA: Exports of fresh fruit to the United States,
July and January-July, 1940-41

Fruit	Unit	July		January-July	
		1940	1941	1940	1941
		Thousands	Thousands	Thousands	Thousands
Papayas	Pounds	97	216	743	461
Avocados	do.	3,868	3,231	4,914	3,584
Plantains	do.	626	806	3,123	3,752
Bananas	do.	8	47	25	174
Limes	do.	19	17	668	410
Pineapples	Crates	56	35	986	933

American Consulate, Habana.

Avocado exports reached a seasonal peak in July, with a total of 3,231,000 pounds, or about 650,000 pounds below the movement in July 1940. For the season, shipments totaled 3,584,000 pounds, or a decline of about 27 percent below exports in the comparable period of the previous year. The dry spring, which retarded the development of the fruit, and the Government regulation of July 8, which prohibited shipments to the United States from July 8 to July 14, were largely responsible for the low level of shipments.

Exports of papayas increased sharply in July, but the 7-month total for 1941 was only 62 percent of the movement in the comparable period of the previous year. The reduced exports to the United States were due, in considerable extent, to the increased competition during the season. The pineapple export season is virtually completed by the end of July. Shipments of pineapples in crates for the period amounted to 933,000 crates, or only about 50,000 crates below the previous season's total. The movement of pineapples in bulk, which were destined largely for canneries in Canada, was completed in June. Exports for the season totaled 110 carloads compared with only 44 carloads in 1940.

IRAQ 1941 DATE CROP
BELOW THAT OF LAST YEAR . . .

The 1941 Iraq date crop is reported to be from 10 to 20 percent smaller than that of 1940. The preliminary forecast of production is 2,150,000 cases of 70 pounds each. This figure is made up as follows: 700,000 cases Hallawi, 250,000 Khadrawi, and 1,200,000 Sayir. Preliminary indications are that the quality will be excellent. The dates are reported as being large and fleshy, with a very low percentage of horny tipped Hallawi.

The floods covering many date orchards during the past 3 years destroyed considerable shoots and young palms. It has been estimated that over a million were destroyed by the floods; however, the palms have been remarkably free of disease over the same period. The destruction of young palms will be reflected in lower date production in the next few years.

According to information available in the Office of Foreign Agricultural Relations, the Concessionaire has agreed to purchase 580,000 cases of Hallawi, 250,000 of Khadrawi, and 1,020,000 of Sayir during the 1941-42 marketing season. The principal drawback to normal exportation of Iraq dates is the lack of shipping space. An unconfirmed report indicates that one steamer has been obtained to transport dates to the United States; however, freight rates are reported as being extremely high.

UNITED STATES: Imports of dates by calendar years, 1937-1941

Country	1937	1938	1939	1940	1941 a/
	Short tons				
Iraq	25,645	21,902	20,665	20,423	5,516
Iran	715	304	1,081	1,629	204
Saudi Arabia	1,197	143	13	-	-
United Kingdom	242	143	30	-	-
Others	187	42	58	67	19
Total	27,986	22,741	21,847	22,119	5,739

Bureau of Foreign and Domestic Commerce statistics.

a/ To end of June.

CANARY ISLAND ONION-SEED CROP
DAMAGED BY RAIN. . .

The 1941 onion seed crop in the Canary Islands has been seriously damaged by unseasonably heavy rainfall followed by exposure of the plants to the sun, according to information received by the Office of Foreign Agricultural Relations. Trade sources estimate that almost half the crop was lost, amounting to between 75,000 and 80,000 pounds. As a result, practically the entire carry-over will be required for seeding purposes during the coming season. It has been reported, in fact, that a Spanish ship that arrived in the Canary Islands on August 9, was to have carried the bulk of the remainder of the exportable surplus from the current crop to the United States. According to trade reports, about 90,000 pounds have now been shipped.

Earlier in the season, a crop of between 180,000 to 200,000 pounds was expected. About 60 percent consisted of Yellow Bermudas, 35 percent of White Crystals, and the remaining 5 percent of Red Bermudas. At that time the yield was expected to have been heavy, despite the shortage of potash, because of unusually favorable germination. In July, however, the estimated production was reduced to about 160,000 pounds. At that time, a minimum export quotation was fixed at 60 cents per pound, f.o.b. Lisbon or Spanish (peninsular) ports for the current season. The Canary Islands is the major source of supply of the onion seeds imported into this country, as is shown in the following table..

UNITED STATES: Imports of onion seeds, by principal countries,
calendar years, 1936-1940

Country	1936	1937	1938	1939	1940 a/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Canary Islands.....	146.1	171.0	108.3	87.0	102.8
Netherlands	15.8	13.7	8.0	5.4	7.3
France	6.3	8.3	9.4	2.8	6.6
Japan.....	2.5	2.5	.6	4.3	5.5
Spain.....	0	0	.6	0	5.0
Canada.....	0	0	0	0	3.1
Italy	8.1	5.4	4.4	5.0	1.1
Other countries.....	15.8	9.1	.7	.4	.3
Total,.....	194.6	210.0	132.0	104.9	131.7
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Total value	133	116	76	59	79

Compiled from official sources. a/ Preliminary.

SPANISH PAPRIKA PRODUCTION
BELOW PRE-WAR LEVEL . . .

The 1941 production of paprika in the Murcia district of Spain has been estimated by trade sources at from 13,000,000 to 15,000,000 pounds, according to information received by the Office of Foreign Agricultural Relations. These figures, which are at best rough estimates, indicate that production will be below the average crop prior to the Spanish war (1936-1939). This reduction is due largely to the effects of the war, when Spanish agriculture suffered considerably from destruction, general neglect, and the shortage of adequate fertilizer, insecticides, and so forth.

Trade sources place the amount of paprika on hand suitable for export at between 500,000 and 700,000 pounds, but this estimate is approximate only. Prices of paprika shipped to the United States have ranged from 24 to 30 cents a pound, f.o.b. Alicante, during the first half of 1941. Prices have shown a firm tendency, presumably because of reduced stocks.

Spain previously was the principal source of ground paprika imported into this country, although Hungary became the leading supplier during 1938 when the hostilities in Spain curtailed exports. In 1940, Spain provided 1,278,000 pounds, or about 27 percent of total imports. Spanish exports to this country in 1941 (January-June) have been preliminarily estimated at nearly 1,600,000 pounds.

UNITED STATES: Imports of ground paprika by countries,
calendar years, 1935-1940

Country	1935	1936	1937	1938	1939	1940 a/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Spain	6,179	6,750	4,056	956	1,145	1,278
Hungary	394	802	2,700	3,426	3,165	1,620
Germany	7	45	37	0	0	0
Yugoslavia	1	1	52	13	4	1
Bulgaria	0	0	1	11	189	564
Portugal	4	0	0	63	1,456	814
Other Europe	b/	2	b/	47	41	17
Total Europe	6,585	7,600	6,846	4,516	6,000	4,294
Algeria	0	0	0	0	140	378
Other countries	0	0	0	0	0	56
Total all countries	6,585	7,600	6,846	4,516	6,140	4,728

Compiled from official sources.

a/ Preliminary. b/ Less than 500 pounds.

CANADIAN FRUIT AND VEGETABLE
DUTY VALUATION . . .

CANADA: Record of seasonal advanced valuation for calculating duty
on imports of fruits and vegetables, 1941

Commodity	: Advanced valuation	: Date established	: Date cancelled	: Region affected
	: Cents	:	:	:
	: per pound	:	:	:
Beets	1.0	May 15	July 10	Ontario-Quebec
		June 6	August 6	Western Canada
		July 26	-	Maritime Provinces
Cabbage	0.8	May 15	July 10	Ontario-Quebec
		June 3	August 6	Western Canada
		June 28	-	Maritime Provinces
Cantaloupes	1.25	July 12	-	Western Canada
Carrots	0.8	June 3	July 25	Ontario-Quebec
		June 6	August 6	Western Canada
		July 26	-	Maritime Provinces
Cauliflower	1.5	July 4	-	Western Canada
Celery	0.8	July 3	-	Western Canada
Cherries	3.0	May 30	July 18	Western Canada
		June 5	July 24	Ontario-Quebec
		July 24	-	Maritime Provinces
Cucumbers	2.0	April 1	August 19	Ontario-Quebec
		June 28	-	Maritime Provinces
		July 4	-	Western Canada
Green beans	1.5	June 12	-	Ontario-Quebec
Green peas	2.0	June 6	August 29	Ontario-Quebec
		June 6	August 29	Western Canada
		July 24	-	Maritime Provinces
Lettuce	0.8	April 1	August 5	Ontario-Quebec
		May 14	-	Western Canada
Loganberries	2.0	June 26	August 7	Western Canada
		June 26	August 7	Ontario-Quebec
Muskmelons	1.25	July 12	-	Ontario-Quebec
Peaches	1.4	July 12	-	Western Canada
		July 22	-	Ontario-Quebec
Pears	1.0	July 29	-	Western Canada
Plums	1.0	July 3	-	Western Canada
		July 26	-	Ontario-Quebec
Prunes	1.0	August 9	-	Western Canada
Raspberries	2.0	June 26	August 7	Western Canada
		June 26	August 7	Ontario-Quebec
Strawberries	1.6	May 9	June 20	Western Canada
		May 23	July 4	Ontario-Quebec
		June 28	August 9	Maritime Provinces

Compiled from reports of the Department of National Revenue, Canada.

L I V E S T O C K A N D A N I M A L P R O D U C T SLARGE UNITED KINGDOM EGG CONTRACTS BRIGHTEN
OUTLOOK FOR CANADIAN POULTRYMEN . . .

Canadian poultrymen are enjoying above-average conditions thus far in 1941, according to a recent report received in the Office of Foreign Agricultural Relations. These improved conditions are primarily a result of the large demand and subsequent contracts for Canadian eggs by the United Kingdom as a part of its wartime food-supply program.

In 1939 Canada shipped 1,520,000 dozens of eggs to the United Kingdom. In 1940 this figure was sharply raised to 10,500,000 dozens. Since April 1, 1941, four contracts providing for a total shipment of 13,800,000 dozens of eggs to the United Kingdom have been made. This number when added to the 1,500,000 dozens shipped previous to this time brings the total of Canadian eggs available for the United Kingdom in 1941 to 15,800,000 dozens. It is understood that more than half of this amount has already been shipped, and the remainder has been stored for later shipment.

Although no definite monthly egg-production figures are available for 1941, a general summary of conditions in Canada indicates that the normal seasonal decline in egg production occurred during the past several weeks. Yearly production figures show that there was a gradual increase in egg production during 1939 and 1940 as compared with the 1938 figure.

CANADA: Production of eggs, 1930-1940

Year	Number of laying hens <u>Thousands</u>	Average production per hen <u>Number</u>	Total eggs produced <u>Millions</u>
1930	29,053	95	2,760
1931	25,407	112	2,846
1932	24,807	111	2,754
1933	24,922	107	2,667
1934	24,688	108	2,679
1935	24,594	109	2,682
1936	23,798	111	2,634
1937	23,861	110	2,633
1938	23,089	111	2,561
1939	24,024	111	2,661
1940	25,520	111	2,833

International Institute of Agriculture Bulletin, August 1939, and Canadian Quarterly Bulletin of Agricultural Statistics, January-March, 1941.

Stocks of cold storage eggs on August 1, 1941, were 10,690,209 dozens and of fresh eggs 1,014,388 dozens. ^{1/} Total stocks of shell eggs on August 1 were 19.7 percent higher than at the corresponding time in 1940. The net "into-storage" movement of shell eggs in July was 1.2 million dozens as compared with 881,000 dozens during the same month in 1940. Stocks of frozen eggs on August 1 totaled 6,714,630 pounds, being 9.9 percent less than on the same date a year ago. The net "into-storage" movement for July was 114,000 pounds as compared with a similar movement of 422,000 pounds during July 1940.

UNITED STATES PORK AND LARD
EXPORTS BELOW 1940;
IMPORTS LARGER. . .

June exports of cured pork from the United States were the largest of any month in the past 5 years. Exports of both pork and lard products for the first 6 months of 1941, however, continued to be considerably below a year earlier and below normal, notwithstanding the increase in the second quarter, especially in cured pork. Federally inspected production of both pork and lard was smaller than a year earlier, and imports of pork increased materially. The Government's food-for-defense program announced in April is expected to be reflected in increased production and exports of pork and lard late this year or in early 1942.

Federally inspected production of pork in the United States in the first 6 months of 1941 totaled 3,135 million pounds, a decrease of 4 percent below the same period of 1940. The downward trend in hog production, which began in 1940, has now been halted, partly as a result of the action taken by the Government to support the market in order to provide food for defense and partly as a result of increased consumer demand. The spring pig crop of 1941 was about the same as in 1940 instead of 10-15 percent lower as anticipated earlier in the year, and the fall pig crop is expected to be materially larger than a year ago.

Pork exports during the first 6 months of 1941 represented only 1.52 percent of federally inspected production compared with 2.36 percent a year earlier, whereas lard exports represented 14 percent of lard rendered under Federal inspection compared with 15 percent a year earlier. Exports of fresh and cured pork totaled only 48 million pounds in the first half of 1941, a decrease of 38 percent compared with the same period of 1940. Pickled pork was the only item showing a substantial increase for the 6-month period. The monthly average exports of cured pork, pickled pork, hams, and shoulders increased materially

^{1/} Canada, Department of Trade and Commerce, Stocks of Dairy and Poultry Products, August 1, 1941.

in the second quarter of the year, and June exports were unusually large. Exports by countries of destination are not available. Last year the main item of export was fresh pork to Canada. This year the price relationship was reversed, and Canadian pork and live hogs were attracted to this market.

UNITED STATES: Exports of pork, excluding lard, 1934-1940,
January-June 1940 and 1941

	Exports					Percentage exports are of production
	Hams and shoulders <u>1,000 pounds</u>	Bacon and sides <u>1,000 pounds</u>	Canned (dressed weight) <u>1,000 pounds</u>	Pickled <u>1,000 pounds</u>	Fresh and frozen <u>1,000 pounds</u>	
1934	65,104	18,261	21,227	18,385	36,758	160,095 2.97
1935	55,380	6,311	15,464	8,276	10,208	95,639 2.74
1936	32,163	4,562	14,431	10,520	2,747	74,423 1.47
1937	39,860	2,999	12,958	9,009	4,238	69,064 1.62
1938	52,216	11,343	15,886	14,082	9,255	102,782 2.10
1939 b/..	57,879	16,360	16,520	14,971	31,246	136,976 2.47
1940 b/..	17,330	14,204	12,202	15,779	39,810	99,325 1.50
Jan.-June						
1940 b/	12,605	12,202	9,454	9,319	33,508	77,088 2.36
1941 b/	12,382	5,546	5,481	20,943	2,866	47,718 1.52

Compiled from official sources.

a/ Includes canned pork converted to a dressed-weight basis. For latest published material by countries, see Foreign Crops and Markets, May 19, 1941. b/ Preliminary.

Lard exports from the United States totaled 106 million pounds in the first 6 months of 1941, a decrease of 12 percent compared with a year earlier. Information from Cuba, which has been the most important single market for American lard since 1939, indicates some falling off in imports recently owing to a lowered seasonal demand in the hot months and a fairly large accumulation in the hands of retailers. Imports of lard into Cuba for the first half of the year 1941, however, totaled 45 million pounds, an increase of 24 percent above a year earlier. Cuban consumption of American hog lard continues at a high level despite the strong upward price adjustments. Last year Latin America took more American lard than Europe, which was our most important market prior to the war. As a result of the food-for-defense program, it seems probable that in addition to the support given the market by Latin American countries, a more normal export situation may develop late in 1941 or early in 1942.

UNITED STATES: Lard exports and production, 1934-1940,
January-June 1940 and 1941

Year	Exports						Production ^{a/}	Percentage exports are of pro- duction
	Great Britain	Germany	Canada	Cuba	Others	Total		
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Percent
1934	281,150	26,668	5,355	26,348	91,776	b/431,237	1,340,795	32
1935	64,525	1,544	645	24,235	5,406	b/ 96,355	662,060	15
1936	63,547	6,872	2,903	31,011	6,959	b/111,292	992,169	11
1937	75,258	2,370	2,193	41,363	14,766	b/135,950	c/ 758,515	18
1938	124,810	1,380	1,128	47,454	29,831	204,603	c/1,034,193	20
1939 d/ .	150,221	370	3,172	55,431	68,078	277,272	c/1,272,029	22
1940 d/ .	51,246	0	714	67,402	81,952	201,314	c/1,527,266	13
Jan.-June								
1940 d/	31,489	0	677	35,344	62,700	120,210	c/ 806,355	15
1941 d/	e/	e/	e/	e/	e/	105,998	f/ 767,758	14

Compiled from official sources.

a/ Rendered lard.

b/ Excludes small quantities of neutral lard included with lard since January 1, 1938.

c/ Revised figures based on the amount of lard rendered in federally inspected plants as reported by the Bureau of Animal Industry.

d/ Preliminary.

e/ Exports not reported by countries of destination. January-March figures published in Foreign Crops and Markets, May 19, 1941.

f/ Lard rendered June 1941 includes 13,047,000 pounds of rendered pork fat.

The farm price of hogs in the first 6 months of 1941 averaged \$7.80 per 100 pounds as against \$5.02 a year ago. Imports of pork, as a result of these higher prices, increased materially during the first 6 months of 1941, but still represented only a small proportion of production or 0.32 percent compared with 0.10 percent a year earlier. Pork imports totaled 10 million pounds compared with only 3 million in the same period of 1940. Should imports of edible live hogs for consumption be converted to a dressed weight equivalent and added to this figure, imports of pork in the first 6 months of 1941 would amount to approximately 51 million pounds against 77 million a year earlier. The bulk of the pork and live hogs were from Canada, but since July 20, exports to non-Empire countries have been prohibited owing to the urgency of meeting commitments for the British market.

UNITED STATES: Imports and production of pork, and farm price of hogs,
January-June 1941, with comparisons

Year	Imports		Production		Per-cent age imports are of production	Average farm price per 100 pounds of hogs	
	Hams, shoulders, and bacon	Pork fresh or frozen	Pork, pickled, salted, and other	Total weight basis	of pork under Federal inspection		
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds		Dollars
1934	969	182	495	1,646	5,395,287	0.03	4.17
1935	5,297	3,923	1,247	10,497	3,493,838	0.30	8.36
1936	26,088	12,945	2,810	41,843	4,737,148	0.88	9.30
1937	47,422	20,877	6,532	74,831	b/4,251,173	1.75	9.48
1938	44,347	4,287	3,748	52,382	b/4,883,851	1.07	7.72
1939 c/..	36,324	2,274	2,369	40,967	b/5,553,060	0.74	6.37
1940 c/..	1,759	3,263	676	5,697	b/6,614,261	0.09	5.41
Jan.-June							
1940 c/	1,516	1,204	559	3,278	b/3,260,050	0.10	5.02
1941 c/	917	8,915	256	10,088	b/3,135,300	0.32	7.80

Compiled from official sources. a/ Dressed hog carcass excluding lard, bones, and all carcass fat rendered into lard. b/ Revised to use lard production as reported by the Bureau of Animal Industry's inspection service. c/ Preliminary.

DAIRY WHEY HELPS SOLVE SWEDISH
LIVESTOCK-FEED-SHORTAGE PROBLEM . . .

A recent report from Sweden states that whey, which is normally a waste product, is being converted into a kind of molasses feed for livestock to aid in solving the feed-shortage problem. This concentrate contains 6.5 percent of dry substance consisting of milk sugar (lactose) and various other carbohydrates. According to this report, the original test plant with a production capacity of 800 liters (211 gallons) of liquid per hour proved to be so satisfactory that several other plants of a larger producing capacity (3,000 liters or 792 gallons per hour) are now being installed. In these plants, which are relatively inexpensive to build, the whey is heated in a vacuum at 60°C. (140°F.) thus condensing the whey to one-tenth its original volume, which greatly facilitates the movement and transport of the product. Vacuum boiling is practiced because it conserves fuel as compared to open-pan boiling.

One definite advantage of the yellow pulp produced by this process is its keeping qualities. In this condition the feed can be safely stored for about a month, while the original whey cannot be safely kept for more than

24 to 48 hours, especially during the summer months. It is also noted that the whey molasses may be used by confectionary manufacturers and brewers. It is believed, however, that the greater utilization of the molasses during wartime will be for livestock feed in order that more meat and dairy products may be made available for human consumption.

ALBERTA ANNOUNCES PLAN
FOR EGG MARKETING . . .

A plan for controlled marketing of eggs and poultry has been initiated in the Province of Alberta, Canada, according to a recent report received in the Office of Foreign Agricultural Relations. All persons in the Alberta Province who have 50 birds or more and who offer such products for sale will be affected. The scheme, which has previously been submitted to a vote of the poultry producers of the Province, is under the supervision of the Alberta Poultry Producers Marketing Board, which was established by order of the Lieutenant Governor in Council on March 25, 1941, under authority of Part 1 of the Alberta Marketing Act of April 1939. The Board is composed of five members, three who are actually engaged in the production of poultry products, and two who have specialized knowledge of poultry production and marketing.

Under the plan, and subject to the approval of the Ministry of Trade and Industry, the Board is given the following powers: To prescribe compulsory grading by licensed graders according to the Board's grading regulations; to require registration and licensing of all producers, dealers, and wholesalers dealing in poultry and eggs, and to suspend or cancel any license as penalty for violation of the scheme's provisions; to designate the quantity and quality of the products to be stored, the agencies through which they may be marketed or stored, and the charges to be levied; and to borrow funds for the purpose of actual buying, storing, and distributing of these products, and for obtaining facilities and personnel for "carrying out such plans, regulations, and business enterprises as may be undertaken by the Board or by the Managing Director on behalf of the Board or any agency designated by the Board or by the Managing Director on behalf of the Board."

Although no actual marketing has yet been carried out under the plan, it is hoped that the activities of the Board, operating under legislative authority, will result in the improvement of marketing methods, in higher returns to producers of poultry and eggs, and in adequate protection of the public interest in the matter of supplying these commodities at prices in line with the cost of production.

* * * * *

GENERAL AND MISCELLANEOUS

FOREIGN EXCHANGE . . .

EXCHANGE RATES: Average value in New York of specified currencies,
August 9, 1941, with comparisons a/

					Month			Week ended		
					1939	1940	1941	1941		
					July	July	June	August 9	August 16	August 23
		Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina ..	Paper peso	29.77	31.21	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australia b/	Pound	305.16	373.03	303.11	321.25	321.31	321.34	321.30	321.20	
Canada b/	Dollar	85.14	99.83	86.92	88.18	88.27	88.85	88.81	89.09	
China	Shang.yuan	6.00	10.64	6.05	5.34	5.24	<u>d/</u>	<u>d/</u>	<u>d/</u>	
England b/	Pound	383.00	468.15	380.47	403.16	403.23	403.27	403.21	403.02	
Germany	Reichsmark	40.02	40.11	39.98	<u>c/</u> 39.97	<u>d/</u>	<u>d/</u>	<u>d/</u>	<u>d/</u>	
Italy	Lira	5.04	5.26	5.03	<u>c/</u> 5.26	<u>d/</u>	<u>d/</u>	<u>d/</u>	<u>d/</u>	
Japan	Yen	23.44	27.28	23.43	23.44	23.44	<u>d/</u>	<u>d/</u>	<u>d/</u>	
Mexico	Peso	18.55	17.13	19.91	20.53	20.54	20.54	20.54	20.53	
Sweden	Krona	23.80	24.11	23.84	<u>c/</u> 23.84	23.84	<u>d/</u>	<u>d/</u>	<u>d/</u>	
Switzerland	Franc	22.68	22.55	22.68	<u>c/</u> 23.21	<u>d/</u>	<u>d/</u>	<u>d/</u>	<u>d/</u>	

Federal Reserve Board.

a/ Noon buying rates for cable transfers. Denmark, France, the Netherlands, and Norway omitted, as rates are not available. The last average monthly quotations in 1940 were as follows: Denmark, March 19.31 cents; France, June, 2.01; the Netherlands, April, 53.08; and Norway, April, 22.71 cents.

b/ In addition to the free rate there is also a fixed official buying rate: Australia, 322.80 cents; Canada, 90.91; and England, 403.50 cents.

c/ Through June 16 only. d/ Not available.

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